From: ehbarak <ehbarak1@gmail.com>
To: Epstein Jeffrey <Jeevacation@gmail.com>
CC:
Date: Wed, 12/31/2014 4:13:28 AM
Subject: Fwd: Reporty homeland security Ltd - Term Sheet draft

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Hi Jeff
Did you get this one ?
Best New Year.
EB

Sent from my iPhone

Begin forwarded message:

> **From:** ehbarak <ehbarak1@gmail.com>
> **Date:** December 30, 2014 at 00:15:37 GMT+2
> **To:** Epstein Jeffrey <Jeevacation@gmail.com>
> **Subject: Fwd: Reporty homeland security Ltd - Term Sheet draft**
>
> Hi Jeff
> I hope new year is well accepted in LSJ.
> Pl find attached a new term sheet draft which tries to assure our control when needed. It was formulated by my IL lawyers. Not yet shown to CEO or Buchris. Darren got a copy as well. Pl let me know if that answers your question re control assurances. And once modified by you or Darren as needed let's send it to them and start negotiating it.
> Best
> EB
>
> Sent from my iPhone
>
> Begin forwarded message:
>
> > **From:** Tomer Toor <Tomer@fwmk-law.co.il>
> > **Date:** December 29, 2014 at 20:08:56 GMT+2
> > **To:** "ehbarak1@gmail.com" <ehbarak1@gmail.com>
> > **Cc:** "dkiesq@aol.com" <dkiesq@aol.com>, Udi Knaani <Udi@fwmk-law.co.il>
> > **Subject: RE: Reporty homeland security Ltd - Term Sheet draft**
> >
> > Dear Ehud,
> > Udi is not feeling so well and had to leave home early for some rest.
> >
> > Meantime, attached please find is a revised TS for Reporty with couple of markups we added following recent conversation held with Udi.
> >
> > Basically, In order to allow you to gain control over the Company in due time, we ask under this term sheet for an additional second Warrant (this time up to $2.5m at 175% of the PPS).

Upon exercising the two Warrants you will hold the majority (end a bit more) of the share capital of the Company. We also added that in this case you will be entitled to be represented in the Board by three (out of five) directors.

When Company will do well, you would probably want to make sure that it is being promoted in the right direction, so this relatively fair mechanism, will give you the way to take over.

For illustration purposes, we also added a pro-forma cap table, showing your shareholding in the various stages of using the Warrants.

Please let us know if any further clarification is needed or if a clean version of this TS can be forwarded to the other party for their review.

All the best,
Tomer

_____
From: Udi Knaani
Sent: Thursday, December 11, 2014 10:59 PM
To: Tomer Toor
Cc: dkiesq@aol.com; ehbarak1@gmail.com
Subject: Re: Reporty homeland security Ltd - Term Sheet draft

Hi Darren,
Just checking that you got Tomer's e-mail.
Best regards,
Udi

נשלח מה-iPhone שלי

Tomer@fwmk-> Tomer Toor ,14:13 בשעה ,2014 בדצמ׳ 9-ב
:כתב/ה <<law.co.il<mailto:Tomer@fwmk-law.co.il

Dear Darren,
Allow me to introduce myself – my name is Tomer, I am an associate at FWMK – law offices and I will be working with Adv. Udi Knaani on the proposed financing transaction in Reporty Homeland Security Ltd.

Attached please find for your review and comments is a suggested first draft of the Terms Sheet for the said transaction.

We will appreciate any comment you may have for this document.

Kind regards,
Tomer

<image001.jpg>

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inadvertently addressed to you, or if forwarded to you by a recipient), please contact the sender and delete the material from any computer.
<Reporty homeland security Ltd - TS draft.doc>

Cap Table - Optiwise Management Ltd-2.xlsx

Reporty homeland security Ltd - TS draft 2ND VERSION.doc